



Evolution of the Association of Caribbean States (ACS)

*XLI Regular Meeting of the Latin American Council
Caracas, Venezuela
25 to 27 November 2015
SP/CL/XLI.O/Di N° 3-15*

Copyright © SELA, November 2015. All rights reserved.
Printed in the Permanent Secretariat of SELA, Caracas, Venezuela.

The Press and Publications Department of the Permanent Secretariat of SELA must authorize reproduction of this document, whether totally or partially, through sela@sela.org. The Member States and their government institutions may reproduce this document without prior authorization, provided that the source is mentioned and the Secretariat is aware of said reproduction.



Evolution of the Association of Caribbean States (ACS)

Intra-Regional Relations

Copyright © SELA, June 2015. All rights reserved.
Printed in the Permanent Secretariat of SELA, Caracas, Venezuela.

The Press and Publications Department of the Permanent Secretariat of SELA must authorize reproduction of this document, whether totally or partially, through sela@sela.org. The Member States and their government institutions may reproduce this document without prior authorization, provided that the source is mentioned and the Secretariat is aware of said reproduction.

C O N T E N T S

FOREWORD

EXECUTIVE SUMMARY	3
INTRODUCTION	5
I. POLITICAL AND ORGANIZATIONAL INSTITUTIONAL FRAMEWORK	7
1. Creation process	7
2. Membership	8
3. Economic and commercial aspects	9
4. Objectives	11
5. Structure and institutional development	12
6. Special Fund of the ACS	13
II. RELATION WITH OTHER AGREEMENTS AMONG MEMBER STATES	14
1. ACS-SICA-CARICOM Relation	14
2. ALBA-ACS Relation	15
3. PETROCARIBE-ACS Relation	16
4. Bilateral Agreements	17
III. DEVELOPMENT OF THE GREATER CARIBBEAN ZONE OF COOPERATION	17
1. Period 1994 – 2004	18
2. Period 2004 – 2014	21
CONCLUSIONS	29
ANNEX I. THE GREATER CARIBBEAN AND THE ACS	31
ANNEX II. ASSOCIATION OF CARIBBEAN STATES (SELECTED COUNTRIES) GDP IN US\$ MILLION OF 2013	35
ANNEX III. ASSOCIATION OF CARIBBEAN STATES (ACS) INTRA-REGIONAL TRADE FLOWS – SELECTED COUNTRIES, US\$ MILLION OF 2013	39
BIBLIOGRAPHY	47

F O R E W O R D

This study has been prepared in compliance with Activity I.1.1. of the Work Programme of the Permanent Secretariat of SELA for the year 2015, entitled Follow-up report on integration agreements in Latin America and the Caribbean: Andean Community (CAN), Caribbean Community (CARICOM), Common Market of the South (MERCOSUR), Central American Integration System (SICA), Bolivarian Alliance for the Peoples of our America (ALBA-TCP), Pacific Alliance (PA) ACS, UNASUR and Complementary Economic Zones Regions (ZECs)".

In this connection, this study aims at highlighting the current situation and the level of institutional evolution of the Association of Caribbean States (ACS), in accordance with its objectives and its various dimensions and relevant aspects. In particular, it deals with the way in which the institutional evolution has been reflected in the firm development of the four thematic areas of the ACS, namely: Trade Development and External Economic Relations; Sustainable Tourism; Transport; and Disaster Risk Reduction, which are of significant importance for the consolidation and development of the Greater Caribbean.

This study was prepared by Dr. Telasco Pulgar, Coordinator of Relations with Regional and Extra-Regional Organizations of the Permanent Secretariat of SELA.

EXECUTIVE SUMMARY

The Association of Caribbean States (ACS) was established on 24 July 1994 by all developing countries located in the Greater Caribbean Basin, namely: the Netherlands Antilles, the Central American countries (including El Salvador¹) Colombia, Mexico, Guyana, Suriname and Venezuela, which signed the Constitutive Agreement of the Association of Caribbean States in Cartagena de Indias, Colombia.

The original idea of its creation emerged from one of the recommendations from the *West Indian Commission* founded in 1989 by the Heads of State and Government of the Caribbean Community (CARICOM), aimed at promoting consultation among governmental and non-governmental English speaking organizations from the Caribbean Basin to discuss modalities and mechanisms that would strengthen and expand CARICOM and further strengthen its integration process. It also decided to open discussions with other Caribbean States, the Central American States and other coastal Latin American nations of the Caribbean, such as Colombia, Mexico and Venezuela, for consultation on the proposals of the West Indian Commission. From these links, the ACS emerged, in 1994, as "an organization for consultation, coordination and cooperation" among its Member Countries.

During the course of the ACS evolution, the term "Greater Caribbean" has become a political concept that has led to the collective spirit and unity among its very different Member States, which not only defines the area bordering the Caribbean Sea, but also takes into account the historical, social, ethnic and cultural characteristics of its members.

In its twenty years of existence, the ACS has helped to strengthen the Greater Caribbean as a significant economic and geopolitical force that has achieved important accomplishments, despite the difficulties arising from the diversity of languages, cultures and identities, from the asymmetries in size, economics and structure among Member States, as well as its high vulnerability to natural disasters.

These specific conditions have determined that in order to advance towards achieving its goals, the Association would need, predominantly, cooperation, consultation and political dialogue, not only among the participating governments, but also among integration and cooperation agencies that are observer members of the Association and operate in the environment of the Greater Caribbean. At the same time, for the member countries of these organizations, the ACS represents an alternative for development and promotion of their specific objectives, to rightfully participate under regulations and legal certainty fully agreed in programmes for economic and commercial development, sustainable tourism and functional cooperation, carried out by the ACS.

In this evolution, there have been outstanding achievements through cooperative commitment, convergence of interests and the need to join efforts to obtain community benefits, such as: (i) the *Sustainable Tourism Zone*, an initiative resulting from cooperation and consensus among Member States, which has the potential to strengthen the commitment of the countries of the Greater Caribbean to observe the principles of sustainable development and responsible tourism; (ii) the creation of the *Committee of the Greater Caribbean*, a mechanism established to provide and supervise the sustainable use of the Caribbean Sea; (iii) the *Regional Cooperation Agreement on Natural Disaster Issues*, the only one of its kind in Latin America and the Caribbean, accompanied by progress towards the implementation of a *Territorial Information Platform for the Greater*

¹ Although it is not located on the Caribbean coast, El Salvador is a member State of the ACS and PETROCARIBE.

4

Caribbean for the Prevention of Disasters, which will contribute its efforts for a comprehensive risk management; (iv) the *Air Transport Agreement*, which, despite its name, covers both sea and air transport, reflecting the political will of Member States to address the severe gaps in air and sea interconnection in the Greater Caribbean; and (v) the Project entitled "*Trade Barriers at Business Level and Trade Facilitation within the Member Countries of the ACS*", also the only one of its kind in Latin America and the Caribbean, aimed at identifying and gradually reducing trade barriers in order to assist business operation in the Member States of the ACS, in response to the need to promote a gradual and progressive liberalization of the flow of goods and investments in the Greater Caribbean.

Those accomplishments, achieved within a historically short term, would not have been possible without the strong political will of Member States, which have held six (6) Summits of Heads of State and Government and twenty (20) Regular Meetings of the Council of Ministers, i.e. one every year, with the constant and direct presence of the High Authorities of the Association who have managed to maintain the necessary consensus to define the specific objectives, adjust operational plans and evaluate the results of the implementation of the mandates stemming from the Summits.

It must be noted that this document focuses on the institutional aspects of the evolution of the ACS, although certain paragraphs contain some statistics from official sources to illustrate the actual results of the implementation of its programmes and projects.

The first chapter describes the institutional and organizational aspects, such as membership, objectives and operational structure. The second chapter analyses the relations of the Association with other preferential agreements among the Member States comprising it, both those that already existed when it was established as well as those that integrated later, considering that it is a key point in the operation of the Association. The third section analyses the evolution of the *Greater Caribbean Zone of Cooperation* in two periods divided as: between 1994 and 2004, and between 2004 and 2014. Finally, several conclusions are drawn highlighting the significant role that the ACS has taken on in the Latin American and Caribbean scenario, accompanied by four *Boxes* on key issues concerning the activities of the Association: Development and Trade, Sustainable Tourism, Transport, and Natural Disasters.

INTRODUCTION

The Association of Caribbean States may be defined as an intergovernmental organization of States, countries and territories of the Greater Caribbean Basin, which, despite the strong barriers it has faced, such as language, politics, culture, ethnic diversity and major economic and structural asymmetries among its Member States, is now a geo-political unit for consultation, cooperation and coordination of major importance in Latin America and the Caribbean (LAC).

The purposes of the ACS are to identify and promote the implementation of policies and programmes to meet the following objectives: Strengthen the collective capacities of the Caribbean to achieve sustained development in the economic, social, cultural, scientific and technological fields; develop the potential of the Caribbean Sea through interaction among Member States and with third countries; promote an expanded economic margin for trade and investment that offers opportunities for cooperation and coordination, and allows increase of benefits provided by the Caribbean Sea; and establish, consolidate and expand the institutional structures and cooperative arrangements responsive to the various cultural identities, development requirements and regulatory systems in the Greater Caribbean.

This study contains a general analysis of the institutional evolution of the ACS in its fundamental aspects, with emphasis on public policies that the Member States have developed to carry out the objectives of the Association, particularly the commitments made at the numerous presidential summits and annual meetings of the Council of Ministers, as well as the measures taken to implement the key programmes in the working areas agreed upon. The first chapter describes institutional and organizational aspects, such as membership, objectives and operational structure. The second chapter analyses the relations of the Association with other preferential agreements among the Member States comprising it, both those that already existed when it was established as well as those that integrated later, considering that it is a key point in the operation of the Association. The third section analyses the evolution of the *Greater Caribbean Zone of Cooperation* in two periods divided as: between 1994 and 2004, and between 2004 and 2014.

Finally, several conclusions are drawn, highlighting the significant role that the ACS has taken on in the Latin American and Caribbean scenario, accompanied by four *Boxes* on key issues concerning the activities of the Association: Development and Trade, Sustainable Tourism, Transport, and Natural Disasters.

I. POLITICAL AND ORGANIZATIONAL INSTITUTIONAL FRAMEWORK

1. Creation process

The Association of Caribbean States (ACS) was established on 24 July 1994 by all the developing countries of the Greater Caribbean Basin, such as Mexico, the Central American countries (including El Salvador), the Netherlands Antilles, as well as Colombia, Guyana and Venezuela, which signed the Constitutive Agreement of the Association of Caribbean States² in Cartagena de Indias, Colombia.

The original idea of its creation emerged from one of the recommendations of the *West Indian Commission*, founded in 1989 by the Heads of State and Government of the Caribbean Community (CARICOM). It was aimed at promoting consultation among governmental and non-governmental English-speaking organizations from the Caribbean Basin to discuss modalities and mechanisms that would strengthen and expand CARICOM, and further strengthen its integration process. It was also decided to open discussions with other Caribbean States, the Central American States and other coastal Latin American nations of the Caribbean, such as Colombia, Mexico and Venezuela, for consultation on the proposals of the *West Indian Commission*.

Later on, at the Summit of Heads of State and Government of CARICOM and the Presidents of the then Group of Three, comprising Colombia, Mexico and Venezuela, held in October 1993 in Trinidad and Tobago, the decision was taken to create an association grouping all States of the Caribbean Basin and, to that end, a work schedule was adopted, which had to be completed in less than a year, as was done with the formal creation of the ACS.

During that period, many meetings, gatherings and discussions were held among the highest-level authorities, representatives of various public and private organizations, business and even academic sectors of the Caribbean Basin, regarding the membership, objectives, structure, venue and procedures for the future Association. In the background of this discussion there were mixed opinions on at least six problem areas that represented significant challenges to an institution of such a varied and heterogeneous membership. The Trinidadian expert Henry Gill³ described in a study in 1995 the key points of the discussion as follows:

- First, the definition of an exclusive space that does not overlap with the organizations' objectives for pre-existing integration and cooperation in the region.
- Second, the definition of specific objectives, especially with regard to trade and investment, that permit coordination of the efforts by pre-existing methods related to the interests of the ACS.
- Third, the delimitation of regional actors with regard to their participation and interaction, taking into account the main role of CARICOM and the particularities of participation and membership of States and territories associated with extra-regional actors.
- Fourth, the definition of an adequate budget in the framework of economic hardships at the moment, especially by smaller countries.
- Fifth, the level of effective commitment with the ACS by the full and associate members who signed and ratified the Constitutive Agreement.
- And, sixth, the definition of the role assigned to the private sector in this process.

² The Constitutive Agreement can be seen on the Web site of the Association: www.acs.aec.org.

³ Gill, Henry (1995), *The Association of Caribbean States: Prospects for a "Quantum Leap"*, in *the North-South Agenda Papers*, No. 11, January, Miami: North-South Center. Quoted by Serbin, A. (1996) in "The twilight of the islands", INVESP, Editorial Nueva Sociedad, p. 93, Caracas.

8

Throughout these discussions the recommendation by the *West Indian Commission* was enforced, aimed at addressing the need of strengthening CARICOM; but, at the same time, at expanding the scope of cooperation by creating an association that includes all independent States and non-independent territories of the Caribbean Basin, and acts as an institution for the promotion and implementation of specific agreements for economic development and trade, negotiated on the basis of consensus and recognition of the existing asymmetries among the economies of CARICOM and that of potential partners with greater relative economic development, such as Colombia, Cuba, Mexico, Dominican Republic and Venezuela, countries also belonging to the Caribbean Basin.

Gradually, the definition "CARICOM-expanded" that had been used was replaced by "Greater Caribbean", which has been the binding factor that has governed the subsequent evolution of the Association, defined as: all islands, including the Bahamas and the entire Caribbean coast, which includes Mexico, all of Central America (including El Salvador), Panama, Colombia, Venezuela, Guyana, Suriname and French Guyana. The institutional and pragmatic expression of that definition is precisely the Association of Caribbean States.

During the evolution of the ACS the term "Greater Caribbean" has become, therefore, a political concept that has led to the collective spirit and unity among the various member countries of the Association, since it not only defines the vast area bordering the Caribbean Sea, but also takes into account the common historical, social and cultural characteristics of its members.

In its twenty years of existence, the ACS has helped to strengthen the Greater Caribbean as a significant economic and geopolitical force that has achieved important accomplishments, despite the difficulties arising from the diversity of languages, cultures and identities, from the asymmetries of size, economics and structure among its Member States, as well as its high vulnerability to face natural disasters. The four *Boxes* accompanying the conclusions of this study briefly describe the main achievements of the ACS.

2. Membership

Regarding its membership, the ACS comprises twenty six (26) Full Member States and ten (10) Associate Members, as well as Observer Countries and Organizations.

The 26 Full Member States are the fifteen (15) members of CARICOM: Antigua and Barbuda, Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Haiti, Jamaica, Montserrat, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Suriname, and Trinidad and Tobago; six (6) Central American countries: Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama; and Colombia, Cuba, Mexico, Dominican Republic and the Bolivarian Republic of Venezuela. The ten (10) Associate Members are: the Netherlands Antilles, Aruba, Bonaire, Curacao, Saba, St. Eustatius, St. Martin, Guadeloupe, French Guyana and Martinique (See Annex I).

It is worthwhile mentioning that a recent decision allowed for the entry of Martinique, Guadeloupe and Saint Maarten as Associate Members of the ACS on their own behalf, a move that has strengthened the project to incorporate all the countries and territories of the Greater Caribbean within the ACS.⁴

⁴ Declaration of Merida (2014), VI Summit of Heads of State and Government of the States, Countries and Territories of the Association of the Caribbean States (ACS), Merida, Mexico, 30 April.

Regarding the observer countries or institutions, they may be admitted to the Association on terms and conditions defined by the Council of Ministers, in accordance with Article V of the Constitutive Agreement of the Association of Caribbean States.

To date, the Observer Countries are Argentina, Brazil, Canada, Chile, Korea, Ecuador, Egypt, Spain, Finland, India, Italy, Morocco, Peru, the Kingdom of the Netherlands, the United Kingdom, Russia, Serbia, Turkey and Ukraine.

Regarding the Organizations, in view of the emphasis on the promotion, consolidation and strengthening of regional cooperation and of the integration process, and in recognition of the essential role stated in the Agreement for Latin American and Caribbean cooperation and integration organizations, in the achievement of the constitution, purposes and functions of the Association, in 1996 the Secretariat concluded special agreements with the Permanent Secretariat of the Latin American and Caribbean Economic System (SELA), the Caribbean Community (CARICOM), the Central American Economic Integration System (SICA), and the General Treaty on Central American Economic Integration (SIECA), in order to facilitate its participation in the activities and work of the Council of Ministers and the Special Committees of the ACS, as Founding Observers.

Meanwhile, the Economic Commission for Latin America and the Caribbean (ECLAC) and the Caribbean Tourism Organization (CTO) were also admitted as Founding Observers in the years 2000 and 2001, respectively. Subsequently, the European Commission was admitted as Observer on behalf of the European Union.

The Constitutive Agreement established that the Social Partners of the ACS are the Association of Caribbean University, Research and Institutional Libraries (ACURIL), the Caribbean Association of Industry and Commerce (CAIC), the Caribbean Medical Association (AMECA), the Caribbean Shipping Association (CSA), the Association of Caribbean Universities and Research Institutes (UNICA), the Caribbean Conservation Association (CCA), the Central Regional Antilles-French Guiana of the National Institute of Agronomic Research (CRAG/INRA), the Regional Coordination for Economic and Social Research (CRIES), the Latin American Faculty of Social Sciences (FLACSO) and the University of the West Indies (UWI).

3. Economic and commercial aspects

With a little over 285 million people together, the Member States of the ACS account for 4% of the world population and, considering the important endowment of qualified human, natural and energy resources of the Caribbean Basin, the ACS represent a potential market greater than Brazil with 203 million, Russia with 143 million and Japan with 127 million people.

However, its Member States have strong asymmetries of size, economics and structure. First, most of its economies – of Central America and those grouped in CARICOM – are small, with reduced economic potential and barely diversified; with high levels of unemployment; insufficient capacity of domestic savings; slow economic growth; with a high level of commercial, monetary and external financing dependency, and high levels of external indebtedness, which make them highly vulnerable to contingencies of the economy and international trade.⁵ Secondly, four of its

⁵ See the study by SELA (2013), "*Debt Burden and Fiscal Sustainability in the Caribbean Region*" (SP/Di N° 16-13), Caracas, October. Study in which an analysis of the debt situation in each Caribbean country, which combines indicators of debt sustainability analysis and preparation of policy proposals. This was the base document for the "*Meeting of Experts on Debt*

10

members are of *larger and medium relative economic development*, such as Mexico, Colombia, Cuba and Venezuela. They all have placed the issue of asymmetries in the foreground in the evolution of the Association.⁶ Annex II illustrates the large differences in the Gross Domestic Product (GDP) among member countries, to the extent that the GDP of Colombia, Mexico and Venezuela jointly represent more than four-fifths (83.3%) of the total GDP of the Association, in addition to the differences in language, idiosyncrasies, customs and cultures.

Annex III shows how these asymmetries have been reflected in intra-regional trade by the countries of the Association which, moreover, is focused on a few commercial circuits, consisting of exports and imports by Colombia, Guatemala, Mexico, Trinidad and Tobago, and Venezuela with other countries of the ACS, respectively.

The growth of intra-regional trade among Member States of the ACS can be considered to be moderate and irregular in its twenty years of existence, if compared with other integration schemes such as the European and Asian blocs for example, whose increase has been constant and continuous. However, it is important to note that their growth rates have almost always exceeded those of exports to the rest of the world. However, analytical studies on the subject⁷ show that the expansion of intra-regional trade in the Greater Caribbean, within the framework of the ACS, does not reach 10% of the total foreign trade of its Member States and, in particular, the exchange of goods does not reach 8% of the total exports of their goods. Indeed, for a selection of twenty one (21) Member States, intra-regional exports of the ACS in 2013 reached about US\$ 51 billion, accounting for 9.22% of total exports by these countries to the world, valued at nearly US\$ 550 billion.⁸

Among the factors that have gravitated on the possibilities of increasing intra-ACS trade, the lack of connectivity in the area and the absence of direct ACS shipping between the countries of the Greater Caribbean have been identified, resulting in increased transaction costs and longer delivery dates compared to direct and prompt procedures, given that, usually, ACS cargo shipped from one country of the ACS to another, should undergo a transfer using the ports of Miami or Panama.⁹ As a result, apart from the difficult bureaucratic procedures, the high costs of registration, marketing and transaction have led to a loss of competitiveness in exporting companies, especially small and medium-sized ones.

These objective conditions determine that in order to meet its objectives, the Association has predominantly requested cooperation, consultation and political dialogue, not only among the participating governments, but also among organizations for integration and cooperation that are observer members of the Association and operate in the environment of the Greater Caribbean.

Burden in middle-income countries of Latin America and the Caribbean", held at the headquarters of the ACS on 24 February 2014.

⁶ To this effect, in 2001 the Council of Ministers of the ACS adopted the "Assistance Programme for the work of the ACS Secretariat regarding Special and Differential Treatment (SDT)," which has since served as guidelines for treatment on this subject in the activities of the Association. See: www.acs-aec.org.

⁷ SELA (2013-2014), *Evaluation report of the agreements between Latin America and the Caribbean (SP/Di N° 2-13); Evolution of the Central American Integration System (SICA) (SP/Di N° Di 9-14); Report on the Regional Integration Process, 2013 – 2014, Chapters III, IV y V; Evolution of the Caribbean Community (CARICOM) (SP/Di N° Di 7-14); and Mechanisms and modalities to promote trade among South American Common Market Countries and the Caribbean Community (SP/ Di 12-12)*.

⁸ SELA, calculations based on the DOTS from the IMF, 2014.

⁹ In this regard, see the study by SELA (2012), "*Mechanisms and modalities to promote trade among South American Common Market Countries and the Caribbean Community*" (SP/ Di 12-12).

At the same time, for the member countries of these agreements, the ACS is an alternative for the development and promotion of individual and collective objectives of its Member States, to rightfully participate under regulations and legal certainty fully agreed upon, in programmes for economic and trade development, sustainable tourism and functional cooperation, carried out by the ACS. Such participation would, therefore, stimulate economic growth, trade and investments in a scenario and at an economic level of regional scope that transcends the possibilities generated by bilateral agreements, which are geographically and institutionally lower. In particular, due to its limited economic resources and small markets, the perspectives for the less developed Caribbean country members of the ACS, at least in economic and trade-related matters, are significantly strengthened by the success of the integration processes in the which they participate simultaneously and by those who must live together in the framework of the ACS, as well as from the inter-relation among them.

In this connection, the Special Committee on Trade Development and External Economic Relations of the ACS is mandated to address the following issues: "the Reduction and Gradual Elimination of Obstacles to Trade and Investment in the Greater Caribbean; the promotion and facilitation of discussion on Special and Differential Treatment for Small Economies in the Greater Caribbean; the promotion and facilitation of trade relations in the Greater Caribbean; and the promotion and facilitation of international trade negotiations and the provision of training in trade-related issues."

In its mandate, the Committee is called to facilitate discussion on the nature and scope of the special and differential treatment to be granted to the countries with relatively less developed economies, acknowledging the differences in size and development, in the various trade agreements, the various measures that could be used for implementation and the guidelines to identify the countries that could have access to such treatment. To this end, the Committee is guided by the aforementioned Assistance Programme for the work of the ACS Secretariat regarding Special and Differential Treatment, adopted by the Council of Ministers of the ACS in 2001.

4. Objectives

The Constitutive Agreement defines the ACS as an organization for consultation, cooperation and concerted action, whose purpose is to identify and promote the implementation of policies and programmes to meet the following objectives:

- i. Strengthen the collective capabilities of the Caribbean to achieve sustained economic, social, cultural, scientific and technological development.
- ii. Develop the potential of the Caribbean Sea through interaction among Member States and third parties.
- iii. Promote an expanded economic space for trade and investment that offer opportunities for cooperation and coordination and allow the increase of the benefits providing the people of the Caribbean with the resources and assets of the region, including the Caribbean Sea.
- iv. Establish, consolidate and expand the institutional structures and cooperative agreements that respond to the diversity of cultural identities, developmental requirements and standardizing systems within the Caribbean region.

The Constitutive Agreement established that in order to achieve the purposes for which it was created, the Association shall promote: economic integration, including trade liberalization, investment, transportation and other related areas; discuss issues of common interest to facilitate active and coordinated participation by the region in multilateral forums; preserve the

12

environment and conserve natural resources in the region, particularly in the Caribbean Sea; and strengthen relations between the peoples and governments of the Caribbean; and consultation, cooperation and concerted action in other areas to be agreed upon.

Participating in the ACS are all Member States of SICA, 14 of the 15 Member States of CARICOM,¹⁰ 9 of the 11 Member States of ALBA-TCP¹¹ and the 19 Member States of PETROCARIBE, thereby constituting a natural bridge for linkage and exchange between the sub-regional integration and cooperation schemes in which its Member States participate, as well as a point of convergence of the States and Territories grouped around the Greater Caribbean Basin, and has great potential to become in the future a unifying mechanism for coordination and convergence of integration and cooperation in the vast Central American and Caribbean zone of the Caribbean Sea coastline.

5. Structure and institutional development

The highest body for consultation and decision-making of the ACS is the Summit of Heads of State and Government. It is the most important meeting of the organization, regularly held at the highest level, facilitating the convergence of the Heads of State and/or Government or their High-Level Representatives of all members of the Organization, and comprises Associated Member States, Founding Observer Organizations, Observer Countries, Social Partners, Observer Organizations, as well as Special Guests from other International and Regional Organizations.

Part of the proceedings of the Summit is to discuss regional and global issues, specifically related to the functional cooperation in the focal areas of the Association: Trade Development and External Economic Relations; Sustainable Tourism; Air and Sea Transport; and Disaster Risk Reduction.

Usually, each Summit concludes with the approval of a Declaration, thereby making commitments and guidelines for the implementation of the proposed policies, positions and actions to be developed by the Council of Ministers and the General Secretariat as the executive organ of the Association.

Since the establishment of the association, the ACS has held six Summits of Heads of State and Government, in the following order:

- a. After signing the Constitutive Agreement on 24 July 1994, the Inaugural Summit of Heads of State and Government of the ACS was held in August 1995 in Port of Spain, Trinidad and Tobago, the headquarters country of the Association. This inaugural Summit issued the Declaration of Principles and Plan of Action on Tourism, Trade and Transportation.
- b. The Second Summit was held in April 1999 in Santo Domingo, Dominican Republic, during which the progress of the Association in the years 1995-1999 and the projection of the Caribbean in the 21st century were discussed.
- c. The third Summit was held in December 2001 in Margarita Island, Venezuela, under the theme "Consolidating the Greater Caribbean", aimed at strengthening the ACS as an organization for consultation, cooperation and concerted action, and with the objective of promoting the Caribbean identity.
- d. The Fourth Summit was held in July 2005 in Panama City, Panama, with the central aim of giving the Association a new political impetus. At that time, an assessment of the first ten years of the association was carried out and consideration was given to a proposal by the

¹⁰ Montserrat is a member of CARICOM, but not of the ACS.

¹¹ Bolivia and Ecuador are members of ALBA-TCP, but not of the ACS.

- Council of Ministers to adapt the Association to a new vision of its role in the development of the Greater Caribbean.
- e. The fifth Summit was held in Pétiion Ville, Haiti, in April 2013, with the aim of strengthening the necessary synergy level of the Greater Caribbean, through a profound and positive interaction among the highest authorities, in order to strengthen the functioning of the Association to enable it to meet its key objectives. In order to maintain the development of functional cooperation between Member States, the Summit also dealt with issues related to education, culture, science and gender-related matters, such as women's empowerment in the process of regional cooperation and integration.
 - f. The sixth summit was held in Merida, Mexico, in April 2014, having as main topic the celebration of the "Twentieth Anniversary of the Association of Caribbean States, ACS 20/20: Present and Future". All Heads of State and Government reaffirmed the value of the Association as an important, necessary and appropriate space for exchange and cooperation in the interest of progress in the Greater Caribbean, as expressed in the Declaration of Merida.¹²

The operational institutional structure of the ACS comprises the Permanent Bodies, namely: the Council of Ministers, the General Secretariat and five Special Committees covering the areas of: Trade Development and External Economic Relations; Sustainable Tourism; Transport; Natural Disasters; and Budget and Administration.

The General Secretariat is directed by a Secretary-General for a period of four years in office and maintains a daily interaction with Member States, Social Partners, the Founding Observer Organizations, regional and international organizations, donor agencies and countries, on the activities, meetings and fund-raising related to the Action Plan of the Association. It also runs the Work Programme and Budget Programme, performs strategic planning and promotes the Association regionally and internationally.

The Council of Ministers, the main policy-making body of the Association, comprises a Minister and a substitute from each Member State and, among its functions, it determines the actions and programmes of the ACS; analyses and approves the Work Programme and Budget; considers and decides the requests from aspiring Member States, Associated Members or Observers of the Association; determines the statutes of operation of the Association; designates the Secretary-General and other high level officials of the Secretariat; approves the rules of operation of the Secretariat; and performs all the functions determined by the Summit of Heads of State and Government.

6. Special Fund of the ACS

Article XIII of the Constitutive Agreement of the ACS stated that the "Council of Ministers will establish a Special Fund for the purpose of financing technical cooperation programmes and related research activities compatible with the purposes and objectives of the Association". Subsequently, the Council of Ministers approved the Agreement, Regulations and Institutional Principles of the Fund, a mechanism for financing projects for cooperation with the ACS with resources different from those of the regular budget of the Association.

The main objective of the Special Fund is to finance activities that clearly and decisively contribute to fostering regional functional cooperation among the Member States of the Association, and to

¹² Declaration of Merida, *ibidem*.

14

deepening the integration process in the Greater Caribbean region. The Fund channels its resources mainly through *regional functional cooperation projects* in the focal areas of the Association.

At its IX meeting in July 2001, the Council of National Representatives of the Special Fund approved a new framework for the development of an effective resource mobilization strategy for the Association, and an organization for managing projects of the Association. Council members reiterated the importance of the Special Fund becoming an implementing agency for international cooperation for the Association and the need to actively seek new sources of financing for their projects.

II. RELATION WITH OTHER AGREEMENTS AMONG MEMBER STATES

In its institutional development, within the framework of the ACS, an extensive network of cooperative relations has been in process between existing integration schemes among Member States, namely CARICOM and SICA, as well as with the new cooperation and integration organizations operating in the geographical environment of the Greater Caribbean, such as the ALBA-TCP and PETROCARIBE, which has led to the concept of the so-called *Greater Caribbean Zone of Cooperation*.¹³ The effective participation of the Secretariats of all such agreements in the meetings and activities of the ACS as observers has facilitated through the years, the emergence of important cooperative commitments and for collective purposes that have promoted and strengthened the activities and action range of the Association itself.

1. ACS-SICA-CARICOM Relation

As an expression of the ties among the ACS, SICA and CARICOM, in the Joint Declaration of the First Summit of Heads of State and Government of the two latter schemes, the leaders agreed to "redouble our efforts for the full realization of the objectives of the Association of Caribbean States, and particularly for the establishment of the Greater Caribbean as a Zone of Cooperation".¹⁴

Then, at the Second Summit of Heads of State and Government between SICA and CARICOM, held in Belize in May 2007, the leaders pledged to promote a wider view of relations between the two schemes, to include cooperation and developing linkages in areas such as the prevention and mitigation of natural disasters, and in sustainable development matters, and agreed "to welcome the establishment of the Caribbean Sea Commission of the Association of Caribbean States and underline the importance of the work by the Commission for the two regions, particularly regarding the implementation of the UNGA Resolution 61/197 of the United Nations, entitled "Towards Sustainable Development of the Caribbean Sea for present and future generations".¹⁵

Subsequently, the Secretaries General of the ACS, SICA and CARICOM met in April 2009 in Port of Spain, who highlighted the need to continue strengthening coordination among the three Secretariats and exchange views on common goals. The Secretaries of the mechanisms of integration and cooperation in the Caribbean and Central America agreed to consult with their respective organizations for closer institutional relations in various fields and agreed to "promote

¹³ This concept is defined in the ACS Website: www.acs-aec.org. "The Zone of Cooperation of the Greater Caribbean has been established in recognition of the common geographic space shared by our States, Countries and Territories, and the common interests and goals that result. Zone of Cooperation of the Greater Caribbean is in joint actions in the priority areas of the ACS, trade, sustainable tourism, transport, and disaster risk reduction".

¹⁴ See: Declaration of the First Summit of the Heads of State and Government between CARICOM and SICA, Santo Domingo, 2002.

¹⁵ See: Declaration of the II Summit of Heads of State and Government between CARICOM and SICA, Belize, 2007.

greater participation by the General Secretariat of the Association of Caribbean States, in the development of the Action Plan SICA-CARICOM, particularly with respect to issues related to the environment, natural disasters, trade and investments, air transport, tourism and Caribbean Sea issues”.¹⁶

At the Third Summit of Heads of State and Government between the SICA and CARICOM, held in San Salvador, in August 2011, the leaders reaffirmed the strategic nature of the relationship between the two sub-regions and pledged to resume discussions to conclude a Free Trade Agreement (FTA), based on the existing free trade agreement between Costa Rica and twelve Member States of CARICOM since 2004, the only FTA signed between countries of the two sub-regions.

At the Summit, besides pointing out the importance of economic relations such as trade, tourism and investment among the sub-regions, officials pledged to deepen cooperation in various areas of growing importance in the environment of the Greater Caribbean, such cultural industries, combating organized crime, adopting common positions in international forums such as the United Nations Organization (UN) and the Organization of American States (OAS), and on specific issues related to climate change. Also, to encourage cooperation in actions that address the impact of natural disasters and design an action plan for the management of fishery resources of the Caribbean Sea.

Recently, within the framework of the VI Summit of the ACS held in Mérida, Mexico, a work meeting between the Secretaries General of SICA, CARICOM and the ACS, called “Strategic Meeting” with the purpose that the three Secretariats can further strengthen the existing cooperation and, in that way, join forces in a major project to bring concrete results to the Member States in agreed areas. During the meeting, the officials discussed as a priority and strategic issue: Air and sea transport in the Greater Caribbean for the purpose of strengthening the transit of intra-regional trade, and facilitating the connectivity of direct flights between Central America and the Caribbean.

Also, they deemed necessary and urgent the establishment of mechanisms of preparedness to reduce vulnerability to natural disasters, strategies to strengthen regional security and exchange of best practices and experiences applied so far by SICA; as well as the need to promote negotiations between Central America and the Caribbean to conclude the FTA.

Of special importance was the commitment to start technical meetings among the three Secretariats for the preparation of the IV Summit between SICA and CARICOM. Therefore, holding a new meeting for this purpose was scheduled for the end of May 2015 at the headquarters of the ACS, and four topics were tentatively proposed for the meeting: air and sea transport, vulnerability, security, and trade.

2. ALBA-ACS Relation

Intrinsically, the ALBA-TCP Alliance is linked to the ACS¹⁷ both from an institutional point of view and in terms of cooperation in various areas of common interest. Nine (9) of the twenty six (26) Full Member States of the ACS are, at the same time, members of the ALBA-TCP, namely:

¹⁶ See: Secretariat of the ACS, Meeting of the Secretariats of the ACS, CARICOM and SICA, Port of Spain, 2009.

¹⁷ See: SELA (2014) “Evolution of the Bolivarian Alliance for the Peoples of Our America-People’s Trade Agreement (ALBA-TCP)” (SP/Di N° 4-2014), Caracas. This study includes a detailed account of the projects financed by the Fund ALBA-Caribe in the aforementioned countries.

16

Antigua and Barbuda, Cuba, Dominica, Grenada, Nicaragua, Saint Lucia, Saint Kitts and Nevis, Saint Vincent and the Grenadines, and Venezuela.

Firstly, five of those nine Member States – Cuba, Nicaragua, Saint Vincent and the Grenadines, Dominica and Venezuela – are signatories to the **Bank of ALBA**, a financial institution which came into operation in 2008 with the “objective of contributing to sustainable economic and social development, reducing poverty, strengthening integration, reducing asymmetries, promoting fair, dynamic, harmonic and equitable economic exchange with members of the Alliance.”

Secondly, the **ALBA-Caribbean Fund** established at the First Summit of Heads of State and Government of PETROCARIBE in 2005, for the purpose of implementing projects of socio-economic development, using resources from the oil bill for the development and implementation of productive projects that promote economic development through cooperatives, small and medium-sized industries and projects that prioritize access to health, education and housing, has an extensive presence in the ACS environment. Between 2006 and 2013, projects have been developed in Antigua and Barbuda, Belize, Dominica, Grenada, Guyana, Haiti,¹⁸ Nicaragua, Saint Kitts and Nevis, Saint Vincent and the Grenadines, in areas such as rural education, health, physical infrastructure, construction of social housing, urban planning, food production and poultry, fish and pork development, among other areas of social nature.

Thirdly, the **ALBA-Food Fund** created in the V Summit of Heads of State and Government of PETROCARIBE in 2008, for the purpose of contributing to food self-sufficiency, by supporting integrated rural development, sustainable agricultural production and distribution and exchange of products, to address the speculation and the use of food as raw material for fuel production, has contributed to increased food production in the ACS environment, having financed 12 agri-food projects in nine (9) countries.

It should be noted that all the countries of ALBA and PETROCARIBE are members of this mechanism.

3. PETROCARIBE-ACS Relation

The nature and membership of PETROCARIBE¹⁹ itself, as an energy cooperation agreement based on a political and institutional framework between Venezuela, Caribbean countries, Central and South America, which is intended to “ensure coordination and articulation of energy policies, including oil and oil products, gas, electricity, technological cooperation, training and development of energy infrastructure; as well as the use of alternative sources such as wind and solar energy, among others” make it a factor of development and growth for the ACS. Its nineteen (19) Member States are, at the same time, members of the ACS, and therefore the activities and projects developed by this Agreement have a high impact on the viability of many of the programmes and projects of the ACS by significantly meeting its energy needs in a preferential manner.

To this end, in June 2005, the Venezuelan oil company *Petróleos de Venezuela* (PDVSA) created PDV-Caribe, as a Venezuelan subsidiary and operational arm of PETROCARIBE, in order to carry out adequate operability between the signatory countries; specifically, through the installation of infrastructure, implementation of service vessels, supply terminals, refining capacity and

¹⁸ Although Haiti is not a member of the ALBA-TCP, it is of PETROCARIBE.

¹⁹ See the study by SELA (2013) “PETROCARIBE Energy Cooperation Agreement” (SP/Di N° 3-13), Caracas, July.

marketing systems. Thus, PETROCARIBE eliminates private intermediation processes and helps with marketing and direct exchange between the signatory countries through bilateral assistance from Venezuela to each member and through the establishment of joint ventures in eleven (11) of the signatory States which, at the same time, are Member States of the ACS.

"**PDV-Caribe** is the body that organizes the operational network of ships, storage and terminals, refining capacity and distribution of fuel and products in order to structure a system of direct supply. The transport capacity of PETROCARIBE is supported by PDVSA's chartering and logistics management."²⁰

The objectives of PDV Caribbean are as follows:

- a. Support the joint planning, organization, and development of capabilities to transport, receive, store, distribute, and commercialize hydrocarbons through a direct, secure, and reliable means of supply for the Caribbean and Central American countries for the purpose of promoting sustainable development.
- b. Promote infrastructure projects which lead to the sovereign management of energy in the Caribbean and Central America aimed at improving the collective well-being and the quality of life for their people.
- c. Coordinate carrying out social projects in member countries with financing from the ALBA Caribe Fund.

4. **Bilateral Agreements**

The environment of the Greater Caribbean is also influenced by the bilateral preferential agreements signed by Colombia, Costa Rica, Cuba, Mexico, Dominican Republic and Venezuela with Central America and the Caribbean, indistinctly, some of which are free trade agreements (FTA) that go beyond the mere liberalization of trade in goods and services to cover other aspects of trade policy and non-reimbursable cooperation. Notably, in this sense the FTAs signed by Mexico with the Central American countries individually and then consolidated into the current Free Trade Mesoamerican Agreement; Trade Agreement between Mexico and CARICOM; the Bilateral Trade Agreement between Venezuela and CARICOM; the Bilateral Trade Agreement between Colombia and CARICOM; the FTA between Costa Rica and CARICOM; and the FTA between the Dominican Republic and CARICOM.

The consequence of these agreements is that the member countries of the ACS have already achieved significant progress in trade liberalization among themselves, so it seems that tariff barriers are not the biggest obstacle to increased trade within the framework of the ACS, but rather administrative constraints, transport difficulties and logistic problems that hinder free trade.

III. **DEVELOPMENT OF THE GREATER CARIBBEAN ZONE OF COOPERATION**

As mentioned before, *the Greater Caribbean Zone of Cooperation* has been established in the whole common geographic space shared by the AEC Member States, with common interests, objectives and joint actions in the priority areas of cooperation development, namely: economic development and trade, sustainable tourism, transport and disaster risk reduction.

²⁰ Ibidem.

18

Institutionally, the Greater Caribbean Zone of Cooperation was established by the Heads of State and Government of the ACS, during its Third Summit held on Margarita Island, Venezuela, in December 2001. The Declaration of Margarita, adopted in that occasion, reads: "We pledge to establish the region of the Greater Caribbean as a Zone of Cooperation, in recognition of the common geographic space shared by our States, Countries and Territories, and the common interests and objectives derived therefrom. The Greater Caribbean Zone of Cooperation will consist initially of joint actions in the priority areas, namely, Trade, Sustainable Tourism, Transport and Natural Disasters".²¹

In these four fundamental working areas of the Association, there are international and technical cooperation projects for which financial resources are mostly managed by the ACS Special Fund, being its Council of National Representatives in charge of assessing and selecting the project proposals previously approved in the meetings of the Special Committees, as well as allocating those resources for carrying out such projects.

Usually, the literature on the evolution of the Association is methodologically subdivided into two historical periods, namely: a first period between 1994 and 2004 and a second one between 2004 and 2014.

1. Period 1994 – 2004

In this ten-year period, several events happened in the Greater Caribbean that could be largely considered positive for the implementation, feasibility and institutional consolidation of the ACS, among which the important developments attained in the existing processes of integration and cooperation between the States that formed the Association should be noted. First, in the case of CARICOM, not only the process of subregional integration was consolidated but it advanced toward establishing the *CARICOM Single Market and Economy (CSME)*, and transformed this Community into the most comprehensive and consolidated process of integration in the Greater Caribbean.

Second, the evolution of SICA, established in 1991 with the inclusion of Belize and Panama accompanied by the five member States of the Central American Common Market, boosted and brought a broader subregional and international scope of the Central American integration, and its proof is the completion of the Central American Customs Union and, the signing of important free trade agreements with the United States of American and the Dominican Republic on the one hand, and the consolidation of bilateral treaties between Mexico and each one of the Central American countries into only one Mesoamerican FTA, on the other. All of these have contributed to widen the scope of the Central American integration, once reduced to a common market of five member States, as well as to launch that process at the international level.

Third, in that period the groundwork was done for the articulation of the two subregional processes of integration that represented the basic core of the Association's operation, namely CARICOM and SICA, which nowadays is taking shape in the Plan of Action SICA-CARICOM that is being negotiated within the framework of the Summits of Heads of State and Government of both processes.

Among the most important decisions of high-level authorities of the ACS made during that period, there should be underlined those of the Ministerial Council of the ACS to foster a political dialogue

²¹ See: Declaration of Margarita, III Summit of Heads of State and Government of the ACS, Margarita Island, Venezuela, 2011.

about the need to deepen and widen the cooperation between the member States, whether full or associate members, on the basis of a set of agreements on the concerted subject areas.

Therefore, in the Fourth Summit of Heads of State and Government, held in Panama City, in July, 2005, an assessment of the first 10 years of the Association's operation was made along with a collective reflection about its future, which brought a compromise called the *ACS New Vision*. The Heads of State and Government came to the conclusion that the first ten-year assessment was positive and that, in spite of the difficulties arisen, the Association had achieved significant experiences from the joint cooperative work, due to the institutional and procedural bases laid for widening and deepening the cooperation aimed at inclusive economic growth and greater social welfare of the peoples in the Greater Caribbean.

In the Declaration of Panama²² issued at this Summit, the Heads of State and Government of the ACS stated: "We recognise that in light of the experience gathered over the past ten years, our Association has achieved a level of maturity that requires a New Vision to inspire its activities in the years ahead" and highlighted the following specific results of those first ten years of the Association:

- Signing of the Convention establishing a Sustainable Tourism Zone of the Caribbean (STZC), the first sustainable tourism zone in the world.
- Bases for an Air Transport Agreement between Member States and Associate Members of the ACS.
- Works to assure the acknowledgement of the Caribbean Sea as a special area within the extent of sustainable development by the General Assembly of the United Nations.
- Beginning of negotiations for a Framework Agreement for the Promotion and Reciprocal Protection of Investments among ACS Members.
- Activities for improving and expanding the current mechanisms to promote exports.
- Institutionalization of the Business Forum of the Greater Caribbean, as a tool for promoting trade and investment in the region.
- Agreement on Reciprocal Cooperation among ACS Trade and Investment Promotion Organizations.
- Support for the actions undertaken toward the establishment of a Virtual Market and an Integrated Information System among the countries of the Greater Caribbean, which would help increase participation from the public and private business sectors of the member countries in intra-regional trade.
- Works to support the gradual dismantling of trade barriers and obstacles to trade and the mobility of capital.
- Actions to achieve a special and differential treatment that would foster and ease the participation of small economies in the process.
- Maritime and port database of the Greater Caribbean.
- Boost to ratifying the Agreement to respond to natural disasters.
- Updating Building Codes of the Greater Caribbean for Wind Loads and Earthquakes.
- Efforts of the Special Fund and the Secretary General to promote medium and long term programmes beyond specific projects; as well as proposals for strengthening their efforts toward the acquisition of resources.

²² ACS (2005), Declaration of Panama, Fourth Summit of Heads of State and/or Government, Panama City, Panama, 19 July.

20

Previously, the ACS Secretariat had prepared a Framework Document called "Toward a New Vision of the Association of Caribbean States", presented in the ACS Preparatory Meeting and Tenth Regular Meeting of the Ministerial Council, held in December 2004.²³

The main elements of the New Vision are the following:

- The need to draw up new guidelines by consensus, under a new joint vision and innovative mechanisms to expand the spaces already opened in the first 10 years of the Association.
- To take on a more important role for the ACS as an organization that allows a political space for discussion and concerted action to participate actively in trade negotiation processes, in which the Greater Caribbean region could jointly have a significant specific weight. This does not mean that the spaces managed by each country would become depreciated in its external trade scope and specially, in international trade negotiations.
- In regard to the small economies and the special and differential treatment, to succeed in order to attain for the ACS a more significant space to take advantage of their potentialities for the benefit of all its Members. The economic and business world dynamics makes necessary a more direct participation of the Association in the most important trade negotiation forums for the region, thus contributing in the search for common approaches, concerted efforts and practical cooperation.
- To stress resource mobilization, programme formulation and project execution aimed at guaranteeing the attainment of specific results that would lead to the expanded economic space conceived in the Convention Establishing the ACS. In this regard, it is necessary to adopt and develop a viable strategy for mobilization of resources with well-defined objectives and parameters to assess its application and the results obtained.
- To direct the work at the fulfilment of major objectives recommends a new approach to the efforts aimed at resource mobilization. In other words, the strategy for the acquisition of funds and attention from the International Community must be addressed to the financing of ACS programmes and not specific projects, because these are only pieces of the first ones, which demands a change in the strategy for acquisition of resources.
- To work on the organizational structure to adapt it to the ACS New Vision. In this regard, the preparation of a strategic plan of institutional development for the ACS could be considered.
- To add, in an structured way, in the Work Programme of the Association and the corresponding activities of the Special Committees towards the Social Actors of the ACS that are specially representative of broad interests in the countries of the region, acknowledged and accepted as such by the Ministerial Council.
- To encourage the ACS to consider itself and operate as a transversal organization of cooperation, that would define the political will in its areas of competence through the guidelines and recommendations issued from the Summits and the Ministerial Council. The ACS role along with the other regional organizations in obtaining financial and technical resources must be strongly established, creating a clear vision of association side by side with those other organizations, and jointly acting in the mobilization of resources for development.

²³ AEC (2004), Framework Paper "Toward a New Vision of the Association of Caribbean States", Preparatory Meeting and Tenth Regular Meeting of the Ministerial Council, Port of Spain, Trinidad and Tobago, 14-15 December.

2. Period 2004 - 2014

The Framework Document regarding the *ACS New Vision*, adopted by the Tenth Regular Meeting of the ACS Ministerial Council in December 2004, established that "...in the future the Association should comply with its goals and priorities within a global vision that would allow including all the problems of social and economic development of its member States".²⁴

The evolution of the application of the New Vision was the cause of dialogue, reflection and adaptation to the new regional and extra-regional circumstances in the following six regular meetings of the ACS Ministerial Council.

Among the most important agreements reached during this period, the following should be highlighted:

XI Regular Meeting, held in Trinidad and Tobago, on 28 March 2006

Agreement for the Development of the Virtual Market of the Greater Caribbean and the Creation of the Follow-up Commission on the Caribbean Sea Initiative.

XII Regular Meeting, held in Guatemala City, on 26 January 2007

Agreement to approve the recommendations of the Caribbean Sea Commission to the Ministerial Council on its Work Programme and Agreement on Promotion and Protection of Investments in the Greater Caribbean.

XIII Regular Meeting, held in Panama City, on 25 January 2008

Agreement adopting the recommendations of the *Ad Hoc* Consultation Group on the working documents of the Caribbean Sea Commission; Institutionalization of the results of the ACS High Level Conference on Disaster Reduction; and Adoption of terms and conditions required for the participation of observers in the open sessions of the ACS Ministerial Council and Special Committees.

XIV Regular Meeting, held in Port au Prince, Haiti, on 30 January 2009

Agreement facilitating the formalization of Cooperation Instruments for the establishment of the Centre for the Promotion of Languages and Culture; Agreement on the Admission of the European Commission of the European Union as an Observer to the ACS; Institutionalization of the Result of the ACS High Level Conference on Disaster Reduction; and Agreement supporting the convening of the Second Meeting of Ministers of Tourism of the Greater Caribbean in the City of Barranquilla, Colombia.

XV Regular Meeting, held in Cartagena de Indias, on 22 January 2010

Agreement on restructuring and strengthening project management capability, and project control and evaluation; Agreement approving the recommendations of the First Meeting of the *Ad Hoc* Work Group for the establishment of the Association of Caribbean Cruise Ships Destinations; Agreement supporting the hosting of the XI Business Forum of the Greater Caribbean and the XI

²⁴ Ibidem.

22

Trade Promoters' Forum in the Republic of Colombia; and, Agreement on Institutional Strengthening of the ACS.

XVI Regular Meeting, held in Port of Spain, on 28 January 2011

Agreement authorizing the conclusion of the Memorandums of Understanding between UWI, AIFIE, ACFCI and the Great Caribbean Observatory (L'Observatoire Grande Caraïbe) and the ACS Secretariat; Agreement on the Adoption of Recommendations contained in the Presidency Report of the Caribbean Sea Commission; and, Agreement backing the advances made by the *Ad Hoc* Working Group for the establishment of the Association of the Caribbean Cruise Ship Destinations (ACCD-WG) in the creation of the Association of the Caribbean Cruise Ship Destinations (ACCD).

XVII Regular Meeting, held in Port of Spain, on 10 February 2012

Date and Place of the Fifth Summit of Heads of State and Government of the ACS; Recommendations to Facilitate the Progress of the *Ad Hoc* Working Group for the Establishment of the Association of the Caribbean Cruise Ship Destinations; Agreement on the Review and Strengthening of the Special Fund Management Mechanisms; and, Agreement on Support for Facilitating the Establishment of the Centre for the Promotion of Languages and Culture and to Facilitate Language Learning Initiatives.

A milestone in the 2004-2014 period was the Fifth Summit of Heads of State and Government held in Pétion Ville, Haiti, convened in April 2013 at the request of the Government of Haiti, which expressed its concern because there has not been held a Summit of Heads of State in seven years, in spite of the intensive activity of the Ministerial Council, the ACS Secretariat, and the Special Committees, and made a proposal for the Fifth Summit to be held about the subject: "Revitalizing the vision of the Association for a stronger and more united Greater Caribbean".

Thus, the Fifth Summit had among its objectives to discuss some measures to introduce reforms in the Association besides reinforcing the regional cooperation, the integration process and the relationships between the member States, with the aim of addressing in a more suitable way the social, economic and environmental issues encountered at present. As a result of this Summit, several papers, reports and special communiqués emerged, among which there should be noted the *Declaration of Pétion Ville* and the *Plan of Action of Pétion Ville*.²⁵

In the *Declaration of Pétion Ville* the Representatives ratified their commitment to consolidating the Association through cooperation policies, programmes and projects that would foster the strengthening and unification of the Greater Caribbean. They stated their decision to maintain the relevance of the Association as an organ for consultation, concerted action and cooperation mainly in the four focal areas. They also reiterated their will to work jointly on the subject of cooperation in the areas of cultural heritage, education, science and technology in the Greater Caribbean. They highlighted the importance of the Caribbean Sea as a resource for economic development and well-being of the peoples and their intention of supporting continuously the Association's efforts to develop and apply initiatives of regional scope for the protection and preservation of such heritage; and, they urged to keep strengthening the Association in its ability to gather all the countries and territories for the benefit of its consolidation and progress in the Greater Caribbean.

²⁵ See: Declaration and Plan of Action of Pétion Ville (2013), Fifth Summit of Heads of State and Government of the ACS, Pétion Ville, Haiti, April.

Likewise, the Summit made an exhortation to the instrumentation of the *Plan of Action of Pétion Ville* in the 2013-2014 period in the following aspects that were considered essential for the revitalization of the Association, namely:

- i) Establishment of the Sustainable Tourism Zone of the Greater Caribbean, and holding an Annual Regional Tourism Safety and Security Capacity-building Workshop.
- ii) Elimination and reduction of obstacles and challenges to Trade Facilitation within the Greater Caribbean region.
- iii) Convening an Annual Business Forum of the Greater Caribbean, as well as a Forum of Trade Promotion Organizations.
- iv) Promotion of Micro, Small and Medium-sized Enterprises (MSMEs) in the Greater Caribbean.
- v) Promotion of the Convergence and Deepening of Intra-regional Trade within the ACS.
- vi) Strengthening the Caribbean Development Bank (CARIBANK).
- vii) Creation of a Map of Maritime Routes of the Greater Caribbean.
- viii) Formulation of a Port and Maritime Strategy of the Greater Caribbean, by creating a strategic plan for maritime port development, in order to have a competitive maritime sector, capable of satisfying the foreign trade needs of the Greater Caribbean.
- ix. Negotiate an Air Transport Agreement among Member States and Associate Members of the Association of Caribbean States.
- x. Reach Commercial Cooperation Partnerships and Alliances among the Airlines of the ACS Countries.
- xi. Outline a Disaster Risk Reduction Plan.
- xii. Foster Cooperation on Education among the Universities and other higher education institutions of the Greater Caribbean.
- xiii. Examine the legal, economic and financial implications, as well as the benefits of designating the Caribbean Sea as a Special Area on a national, regional and international scale.
- xiv. Develop mechanisms in the Caribbean Sea Commission (CSC) to promote the recognition of the Caribbean Sea as a Special Area within the context of sustainable development. In order to achieve these objectives, the following action is recommended: to examine the legal, economic and financial implications, as well as the benefits of designating the Caribbean Sea as a Special Area on a national, regional and international scale; and to this end, the work of the CSC should be facilitated by means of a greater access to the financial, human and technical resources of the region, and particularly through collaboration with the University of the West Indies and other research and development institutions in the Greater Caribbean.
- xv. Develop a mechanism for drafting the Caribbean Sea Commission Report to the General Assembly of the United Nations.
- xvi. Pursue enhanced participation by pertinent regional institutions in the work of the Caribbean Sea Commission, with prior approval of the Member States.

In the Sixth Summit of Heads of State and Government of the ACS, held in city of Merida, Mexico, on 30 April 2014, the Representatives marked the 20th Anniversary of the Association and expressed their satisfaction for the goals reached in the twenty years in which the Association has been in operation, emphasizing in particular the creation of the first *Sustainable Tourism Zone* in the world, and voiced their will to strengthen and consolidate it, so that it would increase its contribution to the sustainable development and well-being of the Member States and Associate Members of the Association.

Additionally, they reiterated their commitment to the protection of the Caribbean Sea and underlined the importance of the mandate of the *Caribbean Sea Commission* to promote its

24

conservation and sustainable use, urging the Commission to conclude a work programme with specific objective and goals for the development of the concept of the Caribbean Sea as a "Special Area in the context of Sustainable Development", as adopted in the Resolution A/RES/67/205 of the General Assembly of the United Nations.

In particular, they welcomed the important advances registered in the application of the *Plan of Action of Pétion Ville*, emphasizing the following:

- a. The entry into force of the Convention on the establishment of the Sustainable Tourism Zone of the Caribbean, on 6 November 2013 (*See Box No. 3*).
- b. The entry into force of the Agreement for Regional Cooperation on Natural Disasters, on 31 March 2014 (*See Box No. 4*).
- c. The conduction of the International Workshop on Disaster Risk Management Associated with Natural Phenomena, in Mexico City, on 25-26 November 2013.
- d. The implementation of the Unit for Management and Follow-up of Cooperation Projects of the ACS Special Fund, which will contribute to the administrative strengthening of the Association, timely follow-up of the execution of projects agreed to by Member States and Associate Members, and management of new and larger resources from the International Community to finance projects dealing with priority sectors of the Association. In doing so the tasks of the Council of National Representatives of the Special Fund will be positively reinforced.
- e. The implementation of Phase II of the Project on Strengthening Hydro Meteorological Operations and Services in the Caribbean Small Island Developing States (SHOCS II), Early Warning System.
- f. The creation of the Working Group on Trade Facilitation to exchange information and promote the integration of the customs systems of the Greater Caribbean (*See Box No. 1*).
- g. The establishment of the Working Group on Business Visas to highlight best practices that could result in a model applicable for the Greater Caribbean region.
- h. The conduction of the Workshop on the Role of the International Tribunal in the settlement of disputes related to the Law of the Sea in the Caribbean region, Mexico City on 5 and 6 June 2013.
- i. The establishment of the Sub-commissions of the Caribbean Sea Commission; as well as hiring an expert who will draft a proposal that will serve as the basis for the discussions of the Caribbean Sea Commission.
- j. The Working Group created by the Caribbean Tourism Organization (CTO), the Latin American and Caribbean Air Transport Association (ALTA), the International Air Transport Association (IATA) and the ACS to work toward improving air connectivity in the region (*See Box No. 2*).

Finally, the Presidents drew attention to the importance of the achievements made and unanimously expressed their confidence in strengthening the Association, promising to keep providing it with the necessary tools that would allow for a proper response to the needs of the Greater Caribbean and, particularly, its Member States and Associate Members.

In this connection, they showed determination to:

- i. Continue the process to consolidate the Association, to which they will provide all their support.
- ii. Move forward with the execution of the *Plan of Action of Pétion Ville* and the decisions contained in the *Declaration of Merida*.

- iii. Promote a vision that would address disaster risk management under a comprehensive approach in accordance with the policies of the countries of the Greater Caribbean, which would reduce risk, and at the same time, would transform them into sustainable countries and territories.

BOX No. 1

Development of Trade in the Greater Caribbean

The countries of the ACS have already attained important advances in trade liberalization among them through a network of bilateral and subregional free trade agreements, such as: Mexico with the Central American countries, by means of the Mesoamerican FTA; Central America internally and with the Dominican Republic; CARICOM internally and through trade agreements with Colombia, Costa Rica, Cuba, Dominican Republic and Venezuela. It would not seem that tariff barriers are the main obstacle to increasing trade exchanges within the ACS framework, but rather the non-tariff barriers, administrative restrictions and logistical problems are the ones hindering free trade.²⁶

For this reason, in May 2009, an important meeting was held to promote Trade Facilitation, through the liberalization of customs procedures among member countries, because there are many procedures and systems which have not kept pace with technology and production and distribution modes. A second meeting gathered all the customs authorities to work on the different strategies aimed at improving the customs mechanisms and take advantage of the benefits of greater efficiency as a result of optimum trade procedures. The results of both meetings point to facilitate trade and achieve synergies throughout the Greater Caribbean.

Among the projects implemented in the field of Trade, "Obstacles to Trade at the Business Level and Trade Facilitation within the ACS Member Countries" stands out. Its objective is to identify and reduce the obstacles to trade and facilitate business in the member countries, as a response to the need to promote a gradual and progressive liberalization of trade and investments in the region. Another project is "Special and Differential Treatment", which emphasizes the effects and implications that such treatment can have for the Caribbean Small Economies.

With respect to the Special Committee on Trade Development and External Economic Relations of the ACS, in 2011, the following strategic guidelines were included in its working agenda: gradual reduction of obstacles to trade and investments; identification of mechanisms to promote the Association; establishment of tariff preferences in favour of the Caribbean small economies; and strengthening the trade capacity in the member countries. These are aspects that are expected to boost an increase in trade in goods, services, and investments.

In this connection, the agreement in the *Plan of Action of Pétion Ville* on the development of a Port and Maritime Strategy for the Greater Caribbean is particularly important, so as to outline a strategic plan for the development of maritime ports in order to achieve a competitive maritime sector, capable of satisfying the needs in the field of foreign trade of the Greater Caribbean.

Source: Prepared by the author, based on official data from the Web site www.acs-aec.org.

²⁶ Latin America and the Caribbean, specially the Caribbean countries, are lagging behind in the logistical performance when compared with other regions of the world, and this has fundamental implications for sustainable economic growth. See in this respect: OECD/CAF/ECLAC (2013), *Latin American Economic Outlook 2014: Logistics and Competitiveness for Development*, joint study launched at the Ibero-American Summit of Panama, 17 and 18 October.

BOX No. 2**Development of Transport in the Greater Caribbean**

In the area of Transport, projects have been promoted such as the creation of an "Internet-based Port and Maritime Database for the Greater Caribbean" that seeks to improve the efficiency of maritime transport in the region through greater cooperation among the countries, by offering timely information on port and shipping activities. In addition, in the area of Transport, the "Workshop on the Creation of the Maritime Electronic Highway in the Greater Caribbean" was conducted with the purpose of achieving a better integration, administration, protection and sustainable development of the Caribbean coastal and marine areas, through a simple access to marine environment data that would allow for a proper and integral management of sea resources, from multiple perspectives.

Lastly, it is worth noting the entry into force of the Air Transport Agreement among the member countries, which encompasses the Rights, from the first to the fourth freedom for the Parties, as regards the right granted to the designated airlines to: fly across territories without landing, make stops for non-commercial purposes, move passengers, cargoes and mail whose point of disembarkation was a foreign country and that were embarked in the country of origin of the carrier, and move passengers, freight and mail whose point of embarkation is a foreign country and destination is the country of origin of the carrier. The ACS policy on "Uniting The Caribbean by Air and Sea" made the member States negotiate this text in order to provide the legal framework for several options of air services, and at the same time, to guarantee the highest degree of safety and security of operations of the regional civil aviation. It is an important step toward open skies in the Greater Caribbean and a clear message that expresses the political will of the Member States to tackle the serious deficiencies existing in the air and maritime connections in the Greater Caribbean.

In this regard, the most important actions are outlining a Map of Maritime Routes of the Greater Caribbean and negotiating an Air Transport Agreement among the Member States and Associate Members, as scheduled in the *Plan of Action of Pétion Ville*.

Source: Prepared by the author, based on official data from the Web site www.acs-aec.org.

BOX No. 3
Sustainable Tourism Zone

The establishment of the *Sustainable Tourism Zone of the Caribbean*, which entered into force on 6 November 2013, represents a proactive and innovative initiative of the ACS that incorporates the principles of sustainable development into the integrated planning of tourism. This initiative has the potential to further deepen the perception, in the travel international market, of the commitment of the Greater Caribbean countries to observe the principles of a sustainable and responsible tourism. The Zone also offers a new opportunity for an increased market share of the region's destinations, access to new markets and expansion of their offers of tourism products. Some of the main benefits that might be obtained are:

a) Market Access

From the point of view of destination, the countries can take advantage of the benefit of belonging to a region designated as the First Zone of Sustainable Tourism of the world. At the geopolitical scale, this initiative will indeed position the Greater Caribbean as a leader in the competitive market of "carbon emissions awareness".

b) Increased Sustainability of Destination

The *Regional Indicators of Tourism Sustainability*, developed as part of the Zone, are expected to contribute to a more efficient management of natural resources and to help mitigate the effects of climate change, which would turn out to be of particular importance because many ACS Members are small island developing States, which enormously depend on tourism and are also severely affected by risk factors resulting from climate change. In this context, belonging to the Zone would also have the potential for intensifying the efforts to mobilize resources for the development and execution of projects and strategies in the area of sustainable tourism. And this could contribute to boost the benefits of tourism for the countries of the Greater Caribbean.

c) Competitive advantage

One of the main challenges as regards the issue of "sustainability" is the lack of accountability of operators, and without a doubt, of destinations that are labelled and/or promoted under a seal of sustainability – a practice that sometimes is referred to as "greenwashing". Consequently, the approach with regards to the management of the process of the Zone focuses on a versatile participation process that takes into account these sensitive issues. It is expected that the voluntary contribution of experts and academics of the region, who form the Steering Committee of the Zone, would safeguard the credibility and validity of the instrument. In this field, the projects implemented include: "Tourism Statistics in the Greater Caribbean", which is constantly been updated; the one referred to "Development and Creation of Multi-Destination Tourism packages for the Greater Caribbean"; the "Creation of a Sustainable Tourism Programme for the Greater Caribbean"; and the project for the "Establishment of a Regional Tourist Network of Safety and Security", by which it seeks to create a means for dialogue among the ACS member States, about issues related with crimes and harassment of tourists to design recommendations for policies on this area at a national and regional level.

Also notable is the implementation of the *Association of Caribbean Cruise Ship Destinations* (ACCD) and the Tourism Fair of the Greater Caribbean; as well as the creation of an Ad Hoc Working Group to analyse the establishment of the *Centre for the Promotion of Languages and Culture*; and as part of the projects on regional tourism security, the establishment of the *Regional Tourist Network of Safety and Security*.

Source: Prepared by the author, based on official data from the Web site www.acs-aec.org.

BOX No. 4
Natural Disasters

With respect to Natural Disasters, projects have been approved such as the "Study of the Strengths, Weaknesses and Projects for Disaster Management in ACS Countries", which includes prevention, preparation, mitigation and response in the area of risks like earthquakes, floods, tropical storms and hurricanes, with mechanisms such as the Early Warning System (EWS). Thus, projects such as the "Hemispheric Consultation on Early Warning", "*Feasibility Study for the Creation of a Regional Post-Disaster Fund for ACS Member Countries*" and "*Updating Building Codes of the Greater Caribbean for Winds and Earthquakes*" have been executed. There has been progress in the presentation of existing national platforms and projects regarding disaster risk reduction and in gathering experiences by the Coordination Centre for the Prevention of Natural Disasters in Central America (CEPREDENAC), and the Caribbean Disaster and Emergency Management Agency (CDEMA). In addition, the ACS has also presented a Letter of Intent to the International Federation of the Red Cross and the Red Crescent Societies.

The following developments have a special importance: the *Agreement for Regional Cooperation on Natural Disasters* that entered into force on 31 March 2014; the International Workshop on Disaster Risk Management Associated with Natural Phenomena; the instrumentation of "Phase II of the project on Strengthening Hydro Meteorological Operations and Services in the Caribbean Small Island Developing States (SHOCS II), Early Warning System". Likewise, in relation to the execution of the *Plan of Action of Pétion Ville*, the ACS aims to promote a vision that would allow a comprehensive disaster risk management in accordance with the policies of the region's countries, that would reduce risks, and at the same time, would transform them into sustainable countries and territories; as well as exchanging experiences for the integration of systems that would enable the Association to move toward the implementation of a *Greater Caribbean Platform of Territorial Information for Disaster Prevention*, that would contribute to the efforts for a comprehensive risk management.

Source: Prepared by the author, based on official data from the Web site www.acs-aec.org.

CONCLUSIONS

The Association of Caribbean States (ACS) is a good example showing that intra-regional inter-relation, cooperation and agreement to attain goals and objectives with community effects among the most diverse States are possible when there is enough political will. In addition, the ACS has demonstrated a great flexibility in its evolution because it has been able to adapt itself to the new conditions arisen in its twenty years of existence.

During this time, it has contributed to consolidate the Greater Caribbean as a considerable economic and geopolitical force that has achieved significant successes, despite the difficulties derived from the diversity of languages, culture and identity, and asymmetries in size, economy and structure among its member States, as well as its vulnerability to natural disasters.

The ACS²⁷ has achieved an expanded space exclusive to the Greater Caribbean that does not overlapped with the objectives and projects of existing integration and cooperation organizations among its member States; on the contrary, it coexists, complements with, and inspires from them.

Likewise, the ACS has conquered the necessary consensus among its member States to define the specific objectives, in particular those regarding cooperation, trade and investment, which would allow for coordinating and complementing efforts from existing integration and cooperation schemes among the Member States, as well as the delimitation of the regional actors in relation to their participation and interaction, taking into account the essential role of CARICOM and SICA, as well as the distinctive features of participation and affiliation of States and territories associated with extra regional actors, such as the case of non-independent territories or Associate Members.

Moreover, the ACS constitutes a possibility for development and momentum of the collective and particular objectives of its member States, when participating in its full right and under clear regulations and legal certainty thoroughly agreed, in its programmes of development, economy and trade, sustainable tourism and functional cooperation. Therefore, such participation allows for fostering economic development, trade and investments in an economic scenario of regional scope that transcends the possibilities generated by those agreements individually, that are more limited in a geographical and institutional way.

Thus, the ACS has been generating a broad network of cooperative and complementary relationships among the existing integration and cooperation schemes between its Member States, as well as the new institutions of cooperation and integration that operate in the geographical surroundings of the Greater Caribbean, which has given place to the concept of the so-called *Greater Caribbean Cooperation Zone*. The effective participation of the Secretariats of all those agreements in the ACS meetings and activities, in their Observer capacity, has facilitated during twenty years the emergence of important commitments of cooperation and collective ends that have boosted and deepened the activities and sphere of action of the ACS itself.

Likewise, the ACS has played an outstanding role as an organization enabling a political space for dialogue, consultation and agreement, significantly inserted in the processes of international negotiations in which the Greater Caribbean region can jointly have an important specific weight. This has enabled it to undertake resource mobilization, programme development and project execution aimed at providing a platform that facilitates the required consultation and cooperation

²⁷ The ACS has effectively been able to address the issues posed by Dr. Henry Gill in 1995.

30

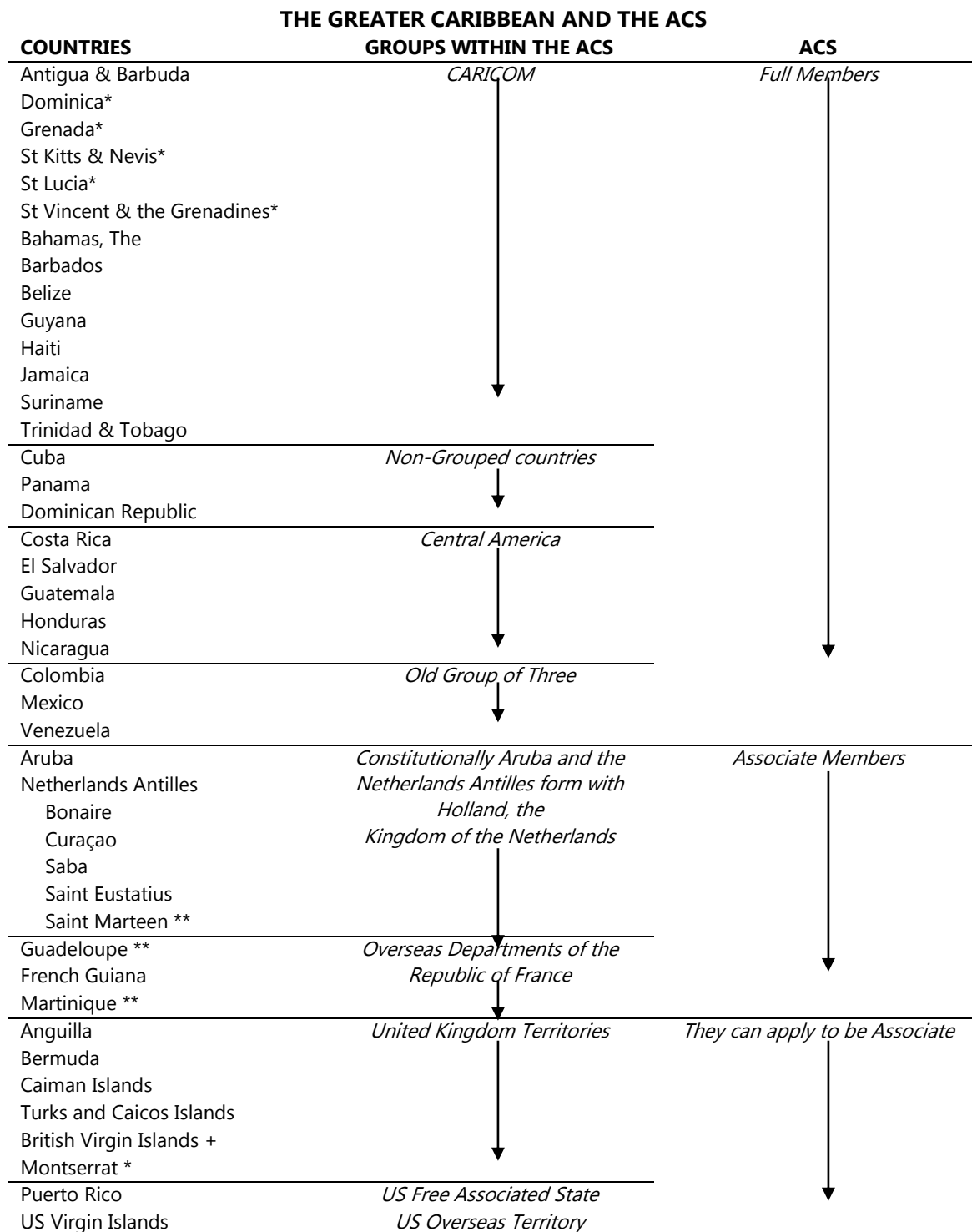
to obtain specific results that would have a positive impact on the development process of the Greater Caribbean. Its proof has been several important achievements:

- First, the *Sustainable Tourism Zone* that has the potential to heighten awareness even more in the travel international market, about the commitment of the Greater Caribbean countries to observe the principles of a sustainable and accountable development of tourism. The Zone also offers an opportunity for destinations of the region to increase their specific share of the market, cover new markets and expand the offers of tourism products on an increasingly larger scale.
- Second, the creation of the Greater Caribbean Commission established in 2008 to provide and supervise the sustainable use of the Caribbean Sea, and supported by a Special Resolution of the United Nations.
- Third, the Agreement for Regional Cooperation on Natural Disasters, along with the advances toward the implementation of a *Greater Caribbean Platform of Territorial Information for Disaster Prevention* that would contribute to the efforts aimed at a comprehensive risk management.
- Fourth, the *Air Transport Agreement*, which is an important step towards open skies in the Greater Caribbean that shows the political will of the ACS member States to confront the serious deficiencies in the Greater Caribbean air and maritime connections.
- Finally, the Programme of Reduction of *Obstacles to Trade at the Business Level and Trade Facilitation within the ACS Member Countries*, aimed at identifying and reducing obstacles to trade to generate business in the member countries as a response to the needs of promoting a gradual and progressive liberalization of the flows of goods and investments in the Greater Caribbean. It goes along with the Project on *Special and Differential Treatment*, emphasizing the effect and consequences that this can have in the Caribbean small economies.

In summary, it could be concluded that the ACS constitutes a natural bridge for linking and exchange between the integration and cooperation subregional schemes where their member States participate, as well as a point of convergence for the States and Territories grouped around the Greater Caribbean Basin, so it has an enormous potential to become a binding mechanism of articulation and convergence of the integration and cooperation in the broad zone of the Caribbean Basin.

A N N E X I

THE GREATER CARIBBEAN AND THE ACS



* Member of the Organization of Eastern Caribbean States (OECS).

** From 2015 they participate in the ACS on their own behalf.

+ Associate Member of Organization of Eastern Caribbean States (OECS).

Note of the Permanent Secretariat of SELA: Montserrat joined CARICOM on 1 May 1974, so it is an ACS Associate State.

Source: (2011), ACS: Promoting Sustainable Development in the Greater Caribbean, 10th Special Edition, FIRST Magazine/ACS, Port of Spain and London.

A N N E X I I

**ASSOCIATION OF CARIBBEAN STATES (SELECTED COUNTRIES)
GDP IN US\$ MILLION OF 2013**

**ASSOCIATION OF CARIBBEAN STATES (SELECTED COUNTRIES)
GDP IN US\$ MILLION OF 2013**

Member States	GDP (DP).	Share in ACS GDP (%)
Antigua & Barbuda	1,201	0.05
Bahamas	8,420	0.35
Barbados	4,345	0.18
Belize	1,624	0.07
Colombia	378,415	15.58
Costa Rica	49,624	2.04
Cuba	77,150	3.18
Dominica	517	0.02
El Salvador	24,259	1.00
Grenada	836	0.03
Guatemala	53,852	2.22
Guyana	2,990	0.12
Haiti	8,394	0.35
Honduras	18,488	0.76
Jamaica	14,270	0.59
Mexico	1,259,201	51.85
Nicaragua	11,256	0.46
Panama	42,648	1.76
Dominican Republic	61,162	2.52
Trinidad & Tobago	24,434	1.01
Venezuela	385,409	15.87
AEC GDP	2,428,495	100.00

Source: CEDIC-SELA. Data from CEPALSTAT. Consultation: 24-03-2015.

A N N E X I I I

**ASSOCIATION OF CARIBBEAN STATES (ACS)
INTRA-REGIONAL TRADE FLOWS – SELECTED COUNTRIES
US\$ MILLION OF 2013**

**ASSOCIATION OF CARIBBEAN STATES (ACS)
INTRA-REGIONAL TRADE FLOWS – SELECTED COUNTRIES
US\$ MILLION OF 2013**

Country	Imports	% of total	Exports	% of total
Bahamas	1,010.24	1%	466.72	1%
Barbados	851.68	1%	322.98	1%
Belize	444.8	0%	46.75	0%
Colombia	6,733.71	11%	9,233.44	20%
Costa Rica	2,967.56	5%	2,930.31	6%
Cuba	5,231.81	8%	268.28	1%
Dominica	129.93	0%	63.96	0%
El Salvador	3,448.54	5%	2,397.92	5%
Guatemala	5,357.96	9%	3,906.60	8%
Guyana	842.11	1%	244.15	1%
Haiti	1,928.83	3%	26.39	0%
Honduras	3,076.56	5%	1,272.76	3%
Jamaica	2,316.32	3%	129.31	0%
Mexico	7,050.08	12%	13,955.69	30%
Nicaragua	2,908.96	4%	995.77	2%
Panama	1,862.87	3%	135.28	0%
Dominican Republic	4,527.17	7%	1,965.26	4%
Suriname	189.48	0%	58.81	0%
Trinidad & Tobago	1,243.01	2%	4,203.73	9%
Venezuela	6,563.81	11%	3,441.53	7%
Total	58,685	100%	46,065.64	100%

*Prepared by CEDIC-SELA. Data from the Direction of Trade Statistics (DOTS).
International Monetary Fund (IMF). Online Consultation: 24 March 2015.*

BIBLIOGRAPHY

- ACS (Association of Caribbean States) (2014), Declaration of Mérida, VI Summit of Heads of State and Government of the Member States Countries and Territories of the Association of Caribbean States, Mérida, Mexico, 30 April.
- (2013) *Declaration and Plan of Action of Pétion Ville*, V Summit of Heads of State and Government of the ACS, Pétion Ville, Haiti, April.
- (2012), *Declaration from the First Summit of Heads of State and Government between CARICOM and SICA*. Santo Domingo, Dominican Republic.
- (2011), *Declaration of Margarita*, III Summit of Heads of State and Government of the ACS, Margarita Island, Venezuela.
- (2011), *ACS: Promoting Sustainable Development in the Greater Caribbean, 10th Special Edition, FIRST Magazine/ACS, Port of Spain and London*.
- (2009), *Meeting of the Secretariats of the ACS, CARICOM and SICA*, ACS Secretariat, Port of Spain.
- (2007), *Declaration of the II Summit of Heads of State and Government between CARICOM and SICA*, Belize.
- (2006 – 2011), Reports on the Regular Meetings of the ACS Ministerial Council (XI, XII, XIII, XIV, XV, XVI and XVII), ACS Secretariat, Web site: www.acs-aec.org.
- (2005), *Declaration of Panama*, IV Summit of Heads of State and/or Government, Panama City, Panama, 19 July.
- (2004), *Framework Document Towards a New Vision of the Association of Caribbean States*, Preparatory Meeting and X Regular Meeting of the ACS Ministerial Council, Port of Spain Trinidad and Tobago, 14 and 15 December.
- (1994), *Constitutive Agreement of the Association of Caribbean States*, www.acs-aec.org.
- Cordero, Martha (2014), "Logística y facilitación del comercio entre la Comunidad del Caribe y Centroamérica", ECLAC, Santiago de Chile, July.
- IMF (International Monetary Fund) (2014), *World Economic Outlook Database*, Washington. (2013) Direction of Trade Statistics (DOTS).
- Gill, Henry (1995), "The Association of Caribbean States: Prospects for a Quantum Leap", in the North-South Agenda Papers, No. 11, January, Miami: North-South Centre.
- OECD/CAF/ECLAC (2013), *Perspectivas Económicas de América Latina 2014: Logística y competitividad para el desarrollo*. Joint study submitted at the Ibero-American Summit held in Panama City, Panama, 17 and 18 October.
- SELA (Latin American and Caribbean Economic System) (2014), *Evolución de la Alianza Bolivariana para los Pueblos de Nuestra América-Tratado de Comercio de los Pueblos* (SP/Di N° 4-2014), Caracas, August.
- (2014), *Evolución del Sistema de la Integración Centroamericana (SICA)*, (SP/Di N° Di 9-14),
- (2014), *Informe sobre el Proceso de Integración Regional, 2013 – 2014* (SP/Di No. 10-14), Chapters III, IV and V, Caracas, August.
- (2014), *Evolución de la Comunidad del Caribe (CARICOM)*, (SP/Di N° Di 7-14), Caracas, November.
- (2013), *Acuerdo de Cooperación Energética PETROCARIBE* (SP/Di N° 3-13), Caracas, July.
- (2013), *Carga de la deuda y sostenibilidad fiscal en la región del Caribe* (SP/Di N° 16-13), Caracas, October.

44

(2012), *Mecanismos y modalidades para fomentar el comercio entre los países del Mercado Común Centroamericano y la Comunidad del Caribe* (SP/Di 12-12), Caracas, May.

Serbín, A (1996), "El ocaso de las islas", INVESP, Edit. Nueva Sociedad, Caracas.